



Title: Title I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 07-26, Connecticut State Income Tax Withholding

Date: June 20, 2007

To: Holders of TAXES (State of Connecticut only)
Personnel User Groups
T&A Contact Points in Connecticut

Beginning with wages paid for Pay Period 12, the National Finance Center (NFC) will make the following changes to the state of Connecticut income tax withholdings:

- The Single (Option F) – Personal Exemption table and Single (Option F) – Annual Tax Credit table will change.
- The dental and vision insurance program will be added to the nontaxable biweekly Federal Employees Health Benefits Plan payment section.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to the NFC home page (www.nfc.usda.gov) and click **Pubs & Forms**. Then on the Pubs & Forms page left-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by “►◄”.

For questions about NFC processing, contact the Payroll/Personnel Call Center at **504-255-4630**.

MARK J. HAZUDA, Director
Government Employees Services Division

Connecticut State Income Tax Information

State Abbreviation:	CT												
State Tax Withholding State Code:	09												
Acceptable Exemption Form:	CT-W4												
Basis For Withholding:	State Exemptions												
Acceptable Exemption Data:	A, B, C, D, F /Reduced withholding dollar amount												
TSP Deferred:	Yes												
Special Coding:	Determine the Total Number Of Allowances field as follows: First Position – Enter the employee's filing status from line 1 of the CT-W4. <table><tr><th>Filing Status</th><th>Description</th></tr><tr><td>A</td><td>Married–Filing Separately Married–Filing Jointly, Both Spouses Working (combined income less than or equal to \$100,500)</td></tr><tr><td>B</td><td>Head of Household</td></tr><tr><td>C</td><td>Married–Filing Jointly, Spouse Not Working</td></tr><tr><td>D</td><td>Married–Filing Jointly, Both Spouses Working (combined income greater than \$100,500)</td></tr><tr><td>F</td><td>Single</td></tr></table> Second and Third Positions – Enter the reduced withholding amount as entered on line 3 of the CT-W4. If less than 10, precede with a zero. If not applicable, enter 00.	Filing Status	Description	A	Married–Filing Separately Married–Filing Jointly, Both Spouses Working (combined income less than or equal to \$100,500)	B	Head of Household	C	Married–Filing Jointly, Spouse Not Working	D	Married–Filing Jointly, Both Spouses Working (combined income greater than \$100,500)	F	Single
Filing Status	Description												
A	Married–Filing Separately Married–Filing Jointly, Both Spouses Working (combined income less than or equal to \$100,500)												
B	Head of Household												
C	Married–Filing Jointly, Spouse Not Working												
D	Married–Filing Jointly, Both Spouses Working (combined income greater than \$100,500)												
F	Single												
Additional Information:	None												

Withholding Formula ►(Effective Pay Period 12, 2007)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) ►(includes dental and vision insurance program, and flexible spending account – health care and dependent care deductions)◄ from the amount computed in Step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages by 27 to obtain the gross annual wages.
5. Determine the personal exemption by applying the following guidelines and subtract this amount from the gross annual wages to compute the taxable income.

Option A
Married – Filing Separately
or
Married – Filing Jointly (Both Spouses Working)
(Combined Income Less Than or Equal to \$100,500)

If the Amount of Annual Wages Is: Over:	But Not Over:	The Personal Exemption Amount Is:
\$ 0	\$ 24,000	\$ 12,000
24,000	25,000	11,000
25,000	26,000	10,000
26,000	27,000	9,000
27,000	28,000	8,000
28,000	29,000	7,000
29,000	30,000	6,000
30,000	31,000	5,000
31,000	32,000	4,000
32,000	33,000	3,000
33,000	34,000	2,000
34,000	35,000	1,000
35,000	and over	0

Option B
Head of Household

If the Amount of Annual Wages Is: Over:	But Not Over:	The Personal Exemption Amount Is:
\$ 0	\$ 38,000	\$ 19,000
38,000	39,000	18,000
39,000	40,000	17,000
40,000	41,000	16,000
41,000	42,000	15,000
42,000	43,000	14,000
43,000	44,000	13,000
44,000	45,000	12,000
45,000	46,000	11,000
46,000	47,000	10,000
47,000	48,000	9,000
48,000	49,000	8,000
49,000	50,000	7,000
50,000	51,000	6,000
51,000	52,000	5,000
52,000	53,000	4,000
53,000	54,000	3,000
54,000	55,000	2,000
55,000	56,000	1,000
56,000	and over	0

Option C
Married – Filing Jointly (Spouse Not Working)

If the Amount of Annual Wages Is: Over:	But Not Over:	The Personal Exemption Amount Is:
\$ 0	\$ 48,000	\$ 24,000
48,000	49,000	23,000
49,000	50,000	22,000
50,000	51,000	21,000
51,000	52,000	20,000
52,000	53,000	19,000
53,000	54,000	18,000
54,000	55,000	17,000
55,000	56,000	16,000
56,000	57,000	15,000
57,000	58,000	14,000
58,000	59,000	13,000
59,000	60,000	12,000
60,000	61,000	11,000
61,000	62,000	10,000
62,000	63,000	9,000
63,000	64,000	8,000
64,000	65,000	7,000
65,000	66,000	6,000
66,000	67,000	5,000
67,000	68,000	4,000
68,000	69,000	3,000
69,000	70,000	2,000
70,000	71,000	1,000
71,000	and over	0

Option D
Married – Filing Jointly
(Both Spouses Working)
 (Combined Income Greater Than \$100,500)

Do not subtract any personal exemption amount. The annual gross pay is the employee's taxable income.

Option F Single		
If the Amount of Annual Wages Is: Over:	But Not Over:	The Personal Exemption Amount Is:
\$ 0	\$ ▶ 25,500	\$ 12,750
25,500	26,500	11,750
26,500	27,500	10,750
27,500	28,500	9,750
28,500	29,500	8,750
29,500	30,500	7,750
30,500	31,500	6,750
31,500	32,500	5,750
32,500	33,500	4,750
33,500	34,500	3,750
34,500	35,500	2,750
35,500	36,500	1,750
36,500	37,500	750
37,500 ◀	and over	0

6. Apply the annual taxable income from step 5 to the following guidelines to determine the annual gross tax amount.

Option A Married – Filing Separately or Married – Filing Jointly (Both Spouses Working) (Combined Income Less Than or Equal to \$100,500)			
If the Amount of Annual Taxable Wages Is: Over:	But Not Over:	The Annual Gross Tax Amount Is:	Of Excess Over:
\$ 0	\$ 10,000	\$ 0 plus 3.0%	\$ 0
10,000	and over	300 plus 5.0%	10,000

**Option B
Head of Household**

If the Amount of Annual Taxable Wages Is:		The Annual Gross Tax Amount Is:		Of Excess Over:
Over:	But Not Over:			
\$ 0	\$ 16,000	\$ 0 plus 3.0%		\$ 0
16,000	and over	480 plus 5.0%		16,000

**Option C
Married – Filing Jointly (Spouse Not Working)**

If the Amount of Annual Taxable Wages Is:		The Annual Gross Tax Amount Is:		Of Excess Over:
Over:	But Not Over:			
\$ 0	\$ 20,000	\$ 0 plus 3.0%		\$ 0
20,000	and over	600 plus 5.0%		20,000

**Option D
Married – Filing Jointly (Both Spouses Working)**
(Combined Income Greater Than \$100,500)

If the Amount of Annual Taxable Wages Is:		The Annual Gross Tax Amount Is:		Of Excess Over:
Over:	But Not Over:			
\$ 0	\$ 10,000	\$ 0 plus 3.0%		\$ 0
10,000	and over	300 plus 5.0%		10,000

**Option F
Single**

If the Amount of Annual Taxable Wages Is:		The Annual Gross Tax Amount Is:		Of Excess Over:
Over:	But Not Over:			
\$ 0	\$ 10,000	\$ 0 plus 3.0%		\$ 0
10,000	and over	300 plus 5.0%		10,000

7. To determine the annual tax credit, apply the following guidelines. Then subtract the annual tax credit from the annual gross tax amount calculated in step 6 to obtain the annual Connecticut tax withholding.

Option A
Married – Filing Separately
or

Married – Filing Jointly (Both Spouses Working)
(Combined Income Less Than or Equal to \$100,500)

If the Amount of Annual Wages Is:		Multiply the Annual Gross Tax Amount By:
Over:	But Not Over:	
\$ 12,000	\$ 15,000	75%
15,000	15,500	70%
15,500	16,000	65%
16,000	16,500	60%
16,500	17,000	55%
17,000	17,500	50%
17,500	18,000	45%
18,000	18,500	40%
18,500	20,000	35%
20,000	20,500	30%
20,500	21,000	25%
21,000	21,500	20%
21,500	25,000	15%
25,000	25,500	14%
25,500	26,000	13%
26,000	26,500	12%
26,500	27,000	11%
27,000	48,000	10%
48,000	48,500	9%
48,500	49,000	8%
49,000	49,500	7%
49,500	50,000	6%
50,000	50,500	5%
50,500	51,000	4%
51,000	51,500	3%
51,500	52,000	2%
52,000	52,500	1%
52,500	and over	0%

Option B
Head of Household

If the Amount of Annual Wages Is: Over:		But Not Over:	Multiply the Annual Gross Tax Amount By:	
\$	19,000	\$	24,000	75%
	24,000		24,500	70%
	24,500		25,000	65%
	25,000		25,500	60%
	25,500		26,000	55%
	26,000		26,500	50%
	26,500		27,000	45%
	27,000		27,500	40%
	27,500		34,000	35%
	34,000		34,500	30%
	34,500		35,000	25%
	35,000		35,500	20%
	35,500		44,000	15%
	44,000		44,500	14%
	44,500		45,000	13%
	45,000		45,500	12%
	45,500		46,000	11%
	46,000		74,000	10%
	74,000		74,500	9%
	74,500		75,000	8%
	75,000		75,500	7%
	75,500		76,000	6%
	76,000		76,500	5%
	76,500		77,000	4%
	77,000		77,500	3%
	77,500		78,000	2%
	78,000		78,500	1%
	78,500		and over	0%

Option C
Married – Filing Jointly (Spouse Not Working)

If the Amount of Annual Wages Is:		Multiply the Annual Gross Tax Amount By:
Over:	But Not Over:	
\$ 24,000	\$ 30,000	75%
30,000	30,500	70%
30,500	31,000	65%
31,000	31,500	60%
31,500	32,000	55%
32,000	32,500	50%
32,500	33,000	45%
33,000	33,500	40%
33,500	40,000	35%
40,000	40,500	30%
40,500	41,000	25%
41,000	41,500	20%
41,500	50,000	15%
50,000	50,500	14%
50,500	51,000	13%
51,000	51,500	12%
51,500	52,000	11%
52,000	96,000	10%
96,000	96,500	9%
96,500	97,000	8%
97,000	97,500	7%
97,500	98,000	6%
98,000	98,500	5%
98,500	99,000	4%
99,000	99,500	3%
99,500	100,000	2%
100,000	100,500	1%
100,500	and over	0%

Option D
Married – Filing Jointly (Both Spouses Working)
 (Combined Income Greater Than \$100,500)

The tax credit percentage is zero percent and the employee's annual tax credit is zero.

Option F
Single

If the Amount of Annual Wages Is: Over:	But Not Over:	Multiply the Annual Gross Tax Amount By:
\$ ▶ 12,750	\$ 15,900	75%
15,900	16,400	70%
16,400	16,900	65%
16,900	17,400	60%
17,400	17,900	55%
17,900	18,400	50%
18,400	18,900	45%
18,900	19,400	40%
19,400	21,300	35%
21,300	21,800	30%
21,800	22,300	25%
22,300	22,800	20%
22,800	26,600	15%
26,600	27,100	14%
27,100	27,600	13%
27,600	28,100	12%
28,100	28,600	11%
28,600	51,000	10%
51,000	51,500	9%
51,500	52,000	8%
52,000	52,500	7%
52,500	53,000	6%
53,000	53,500	5%
53,500	54,000	4%
54,000	54,500	3%
54,500	55,000	2%
55,000	55,500	1%
55,500 ◀	and over	0%

8. Divide the annual Connecticut tax withholding by 27 to obtain the biweekly Connecticut tax withholding.
9. Subtract the biweekly reduced withholding amount (reflected on Line 3 of the CT-W4) from the result of step 8 to obtain the biweekly Connecticut tax withholding.

Note: If the employee does not specify a reduced withholding amount, the biweekly Connecticut tax withholding will be the amount computed in step 8.